



# Brief Report of Financial Results (Unaudited)

(For the fiscal 2009 ended February 20, 2010)

April 6, 2010

Registered company name: **AEON CREDIT SERVICE CO., LTD.**

Stock listing: Tokyo Stock Exchange, First Section

Code No: 8570

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## 1. Business performance (For the fiscal 2009 ended February 20, 2010 and fiscal 2008 ended February 20, 2009)

### (1) Consolidated results of operations

(Millions of yen truncated to the nearest million, %, yen)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary income	YOY (%)	Net income	YOY (%)
Fiscal 2009 ended February 20, 2010	172,430	△2.0	20,560	△22.7	20,424	△23.8	197	△98.7
Fiscal 2008 ended February 20, 2009	176,007	△2.8	26,611	△19.0	26,805	△18.8	14,788	△16.2

	Net income per share	Fully diluted net income per share	Return on equity	Return on assets	Operating income / Operating revenues
Fiscal 2009 ended February 20, 2010	1.26	1.26	0.1	2.4	11.9
Fiscal 2008 ended February 20, 2009	94.29	94.28	9.1	3.1	15.1

(Reference) Profit & loss from equity method applied investment; Fiscal 2009; △63 million, Fiscal 2008; 21 million

### (2) Consolidated financial position

(Millions of yen truncated to the nearest million, %, yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
Fiscal 2009 ended February 20, 2010	866,364	176,717	18.0	994.42
Fiscal 2008 ended February 20, 2009	854,193	181,901	19.0	1,036.35

(Reference) Shareholder's equity; Fiscal 2009; 155,978 million, Fiscal 2008; 162,535 million

### (3) Consolidated cash flows

(Millions of yen truncated to the nearest million)

	Net cash used in operating activities	Net cash used in Investing activities	Net cash provided by financing activities	Cash and cash equivalents at end of period
Fiscal 2009 ended February 20, 2010	16,386	△17,419	△36,376	23,012
Fiscal 2008 ended February 20, 2009	45,709	△698	1,537	60,202

## 2. Dividend circumstances

	Dividend per share				
(Base date)	First quarter period	Interim period	Third quarter period	Term end	Annual
February 2009 term	—	¥15.00	—	¥25.00	¥40.00
February 2010 term	—	15.00	—	25.00	40.00
February 2011 term (Estimated)	—	(15.00)	—	(25.00)	(40.00)

	Total dividends	Payout ratio	Dividend on equity ratio
(Base date)			
February 2009 term	6,273	42.4	3.9
February 2010 term	6,274	3,170.6	3.9
February 2011 term (Estimated)		66.0	

## 3. Consolidated results forecast (Fiscal 2010 ending February 21, 2011) (Millions of yen truncated to the nearest million, %, yen)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary income	YOY (%)	Net income	YOY (%)	Net income per share
Interim	83,700	△1.4	9,600	10.4	9,300	10.5	3,000	—	19.13
Full term	173,000	0.3	23,000	11.9	22,500	10.2	9,500	—	60.57

## 4. Others

- (1) Change of important subsidiary during term (Change of specified subsidiary accompanying change of consolidation scope) : No
- (2) Change of principle, procedure, expression method, etc., of accounting process concerning preparation of consolidated financial statements (matters to be mentioned concerning change of important items to be the bases for preparation of consolidated financial statements)
- ① Change accompanying revision of accounting standards ; Yes
- ② Change other than ① ; No
- (3) Number of shares of outstanding stock (Common stock)
- ① Number of shares of outstanding stock at term end (including treasury stock)
- Fiscal 2009; 156,967,008 shares, Fiscal 2008; 156,967,008 shares
- ② Number of shares of treasury stock at end of term
- Fiscal 2009; 112,878 shares, Fiscal 2008; 131, 823shares

## (Reference) : Report of Non-Consolidated Financial Results

### 1. Business performance (For the fiscal 2009 ended February 20, 2010 and fiscal 2008 ended February 20, 2009)

#### (1) Non-consolidated results of operations (Millions of yen truncated to the nearest million, %, yen)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary income	YOY (%)	Net income	YOY (%)
Fiscal 2009 ended February 20, 2010	117,354	0.1	9,139	△35.1	10,929	△32.9	△2,613	—
Fiscal 2008 ended February 20, 2009	117,216	△3.5	14,080	△28.5	16,289	△26.9	12,192	△13.6

	Net income per share	Fully diluted net income per share
Fiscal 2009 ended February 20, 2010	△16.66	—
Fiscal 2008 ended February 20, 2009	77.74	77.73

#### (2) Financial position (Millions of yen truncated to the nearest million, %, yen)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
Fiscal 2008 ended February 20, 2009	662,955	136,171	20.5	868.14
Fiscal 2007 ended February 20, 2008	660,946	145,093	21.9	924.97

(Reference) Shareholder's equity; Fiscal 2009; 136,171 million, Fiscal 2008; 145,068 million

**2. Non-Consolidated results forecast** (Fiscal 2010 ending February 20, 2011)

(Millions of yen truncated to the nearest million, %)

	Operating revenues	YOY (%)	Operating income	YOY (%)	Ordinary income	YOY (%)	Net income	YOY (%)	Net income per share
Interim	55,900	△2.6	4,100	30.0	5,100	29.5	2,600	—	16.58
Full term	117,800	0.4	11,500	25.8	13,500	23.5	7,500	—	47.82

※ Transaction volume is estimated 1,360,000 million (YOY 3.9%) in interim term, 2,800,000 million (YOY 3.6%) in full term.

Results forecasts above are based on management's assumptions using information available at the time of publication. Owing to various factors, actual results November differ from these projections.

# 【 1. (Summary) Consolidated financial statements 】

## (1) (Summary) Consolidated Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>(ASSETS)</b>		
<b>Current assets</b>		
Cash and deposits	61,033	23,875
Accounts receivable-installment	245,378	300,782
Operating loans	483,527	423,324
Advances paid	7,562	11,939
Prepaid expenses	1,155	1,107
Deferred tax assets	16,795	18,765
Accounts receivable-other	19,153	28,045
Account income	11,104	10,543
Other	2,999	3,757
Allowance for doubtful accounts	△50,757	△52,613
<b>Total current assets</b>	<b>797,954</b>	<b>769,527</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings	2,628	3,123
Accumulated depreciation	△1,613	△1,676
Buildings, net	1,014	1,447
Vehicles	3,726	4,169
Accumulated depreciation	△564	△1,056
Vehicles, net	3,161	3,113
Tools, furniture and fixtures	15,886	17,377
Accumulated depreciation	△10,593	△12,008
Tools, furniture and fixtures, net	5,292	5,368
<b>Total property, plant and equipment</b>	<b>9,469</b>	<b>9,929</b>
<b>Intangible assets</b>		
Software	11,424	12,566
Telephone subscription right	46	39
<b>Total Intangible assets</b>	<b>11,471</b>	<b>12,605</b>
<b>Investments and other assets</b>		
Investment securities	18,174	53,493
Long-term prepaid expenses	7,710	6,878
Deferred tax assets	4,781	9,092
Guarantee deposits	2,359	1,812
Other	2,113	2,905
<b>Total Investments and other assets</b>	<b>35,140</b>	<b>74,183</b>
<b>Total noncurrent assets</b>	<b>56,081</b>	<b>96,718</b>

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Deferred assets</b>		
Bond issuance cost	157	119
Total deferred assets	157	119
<b>Total assets</b>	854,193	866,364
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	91,542	109,852
Short-term loans payable	26,581	18,671
Current portion of long-term loans payable	70,542	93,891
Current portion of bonds	16,272	16,811
Accounts payable-other	5,703	6,801
Accrued expenses	3,692	3,247
Income taxes payable	4,772	3,987
Unearned revenue	296	534
Deposits received	5,630	12,249
Provision for bonuses	359	254
Provision for directors' bonuses	15	—
Directors' Performance Bonus	—	12
Provision for point card certificates	4,141	3,717
Other	1,242	2,146
Total current liabilities	230,795	272,178
<b>Noncurrent liabilities</b>		
Bonds payable	104,533	89,053
Long-term loans payable	321,981	301,736
Provision for retirement benefits	108	38
Provision for loss on interest repayment	11,936	22,840
Deferred tax liabilities	393	404
Other	2,544	3,394
Total noncurrent liabilities	441,496	417,468
<b>Total liabilities</b>	672,292	689,647

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Net assets</b>		
<b>Shareholder's equity</b>		
Capital stock	15,466	15,466
Capital surplus	17,052	17,046
Retained earnings	135,161	129,386
Treasury stock	△219	△187
Total shareholders' equity	167,461	161,712
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	767	770
Deferred gains or losses on hedges	△419	△1,598
Foreign currency translation adjustment	△5,273	△4,905
Total valuation and translation adjustments	△4,926	△5,733
<b>Subscription rights to shares</b>	25	—
<b>Minority interests</b>	19,340	20,739
<b>Total net assets</b>	181,901	176,717
<b>Total Liabilities and net assets</b>	854,193	866,364

## (2) (Summary) Consolidated Statements of Income

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Operating revenues</b>		
Credit card revenue	52,697	55,966
Per-item revenue	9,304	8,050
Financing revenue	96,040	80,598
Processing agency service fees	6,150	13,012
Gain on bad debts recovered	2,366	3,273
Other	9,231	11,368
Financial revenue		
Interest income	217	160
Total financial revenue	217	160
Total Operating revenues	176,007	172,430
<b>Operating expenses</b>		
Selling, general and administrative expenses		
Advertising and promotion expenses	11,259	10,998
Provision for point card certificates	4,149	3,717
Bad debts expenses	4,720	5,362
Provision of allowance for doubtful accounts	28,046	31,024
Directors' compensations	345	374
Employees' salaries and bonuses	17,725	18,017
Welfare expenses	2,405	2,562
Provision for director's bonuses	15	—
Provision for Directors' Performance Bonus	—	12
Provision for bonuses	699	254
Retirement benefit expenses	218	277
Provision for loss on interest repayment	9,765	4,646
Correspondence and transportation expenses	10,917	10,771
Taxes and dues	3,035	3,295
Rent expenses	5,555	5,491
CD operating expenses	631	291
Commission fee	14,203	19,418
Depreciation	6,060	6,848
System operation expenses	2,971	3,081
Other	11,635	10,921
Selling, general and administrative expenses	134,360	137,370
<b>Financial expenses</b>		
Interest expenses	14,432	13,522
Other	602	976
Total financial expenses	15,035	14,499
<b>Total operating expenses</b>	149,396	151,869
<b>Operating income</b>	26,611	20,560

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Non-operating income</b>		
Dividend income	151	101
Amortization of negative goodwill	189	229
Equity in earnings of affiliates	21	—
Gain on valuation of derivatives	—	62
Other	78	27
Total non-operating income	441	421
<b>Non-operating expenses</b>		
Office removal expenses	8	396
Foreign exchange losses	129	65
Equity in losses of affiliates	—	63
Loss of disposal of stock	53	9
Other	55	21
Total Non-operating expenses	246	557
<b>Ordinary income</b>	26,805	20,424
<b>Extraordinary income</b>		
Reversal of provision for retirement benefits	—	297
Gain on sales of noncurrent assets	27	72
Gain on sales of investment securities	9,430	—
Gain on redemption of investment securities	2,705	—
Gain on change in equity	3	—
Total Extraordinary income	12,168	369
<b>Extraordinary loss</b>		
Provision for loss on interest repayment	—	14,000
Provision of allowance for doubtful accounts	6,564	2,052
Loss on valuation of investment securities	618	6
Loss on disposal of the cash dispenser	1,033	—
Loss on change in equity	351	—
Other	41	36
Total Extraordinary loss	8,609	16,096
<b>Income before income tax and minority interests</b>	30,364	4,698
<b>Income taxes-current</b>	12,658	5,571
<b>Income taxes-deferred</b>	△1,474	△4,877
<b>Total Income taxes</b>	11,183	694
<b>Minority interests in income</b>	4,392	3,805
<b>Net income</b>	14,788	197



### (3) (Summary) Consolidated Statements of Changes in net assets

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance, February 20, 2008	15,466	15,466
Balance, February 20, 2009	15,466	15,466
<b>Capital surplus</b>		
Balance, February 20, 2008	17,053	17,052
Changes of items during the period		
Disposal of treasury stock	△0	△6
Total changes of items during the period	△0	△6
Balance, February 20, 2009	17,052	17,046
<b>Retained earnings</b>		
Balance, February 20, 2008	126,646	135,161
Effect of changes in accounting policies applied to foreign subsidiaries	—	302
Changes of items during the period		
Dividends from surplus	△6,273	△6,273
Net income	14,788	197
Disposal of treasury stock	—	△2
Total changes of items during the period	8,515	△6,077
Balance, February 20, 2009	135,161	129,386
<b>Treasury stock</b>		
Balance, February 20, 2008	△218	△219
Changes of items during the period		
Purchase of treasury stock	△2	△1
Disposal of treasury stock	1	33
Total changes of items during the period	△1	32
Balance, February 20, 2009	△219	△187
<b>Total shareholders' equity</b>		
Balance, February 20, 2008	158,948	167,461
Effect of changes in accounting policies applied to foreign subsidiaries	—	302
Changes of items during the period		
Dividends from surplus	△6,273	△6,273
Net income	14,788	197
Purchase of treasury stock	△2	△1
Disposal of treasury stock	0	25
Total changes of items during the period	8,513	△6051
Balance, February 20, 2009	167,461	161,712

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Valuation and translation adjustments</b>		
<b>Valuation difference on available-for-sale securities</b>		
Balance, February 20, 2008	4,355	767
Changes of items during the period		
Net changes of items other than shareholders' equity	△3,588	2
Total Changes of items during the period	△3,588	2
Balance, February 20, 2009	767	770
<b>Deferred gains or losses on hedges</b>		
Balance, February 20, 2008	△338	△419
Changes of items during the period		
Net changes of items other than shareholders' equity	△80	△1,179
Total Changes of items during the period	△80	△1,179
Balance, February 20, 2009	△419	△1,598
<b>Foreign currency translation adjustment</b>		
Balance, February 20, 2008	297	△5,273
Changes of items during the period		
Net changes of items other than shareholders' equity	△5,570	368
Total Changes of items during the period	△5,570	368
Balance, February 20, 2009	△5,273	△4,905
<b>Total valuation and translation adjustments</b>		
Balance, February 20, 2008	4,314	△4,926
Changes of items during the period		
Net changes of items other than shareholders' equity	△9,240	△807
Total Changes of items during the period	△9,240	△807
Balance, February 20, 2009	△4,926	△5,733
<b>Subscription rights to shares</b>		
Balance, February 20, 2008	—	25
Changes of items during the period		
Net changes of items other than shareholders' equity	25	△25
Total Changes of items during the period	25	△25
Balance, February 20, 2009	25	—
<b>Minority interests</b>		
Balance, February 20, 2008	20,074	19,340
Changes of items during the period		
Net changes of items other than shareholders' equity	△733	1,398
Total Changes of items during the period	△733	1,398
Balance, February 20, 2009	19,340	20,739

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Total Net assets</b>		
Balance, February 20, 2008	183,336	181,901
Effect of changes in accounting policies applied to foreign subsidiaries	—	302
Changes of items during the period		
Dividends from surplus	△6,273	△6,273
Net income	14,788	197
Purchase of treasury stock	△2	△1
Disposal of treasury stock	0	25
Net changes of items other than shareholders' equity	△9,948	565
Total changes of items during the period	△1,435	△5,485
Balance, February 20, 2009	181,901	176,717

#### (4) (Summary) Consolidated Statements of Cash Flows

(Millions of yen truncated the nearest million yen)

	For the fiscal2008 ended February 20, 2009	For the fiscal2009 ended February 20, 2010
<b>Net cash provided by (used in) operating activities</b>		
income before income tax and minority interests	30,364	4,698
Depreciation and amortization	6,060	6,848
Amortization of negative goodwill	△189	△229
Increase (decrease) in allowance for doubtful accounts	34,610	33,077
Increase (decrease) in provision for point card certificates	871	△424
Increase (decrease) in provision for loss on interest repayment	3,395	10,904
Increase (decrease) in provision for retirement benefits	30	△100
Dividends income	△151	△101
Loss (gain) on sales of investment securities	△9,430	—
Loss (gain) on redemption of investment securities	△2,705	—
Loss (gain) on valuation of investment securities	618	6
Loss (gain) on change in equity	348	—
Loss on disposal of the cash dispenser	1,033	—
Equity in losses of affiliates	△21	63
Amortization of bond issuance cost	38	38
Decrease (increase) in accounts receivable-installment	5,163	△69,619
Decrease (increase) in operating loans receivable	△18,385	22,277
Decrease (increase) in other current assets	11,361	△14,902
Increase (decrease) in notes and accounts payable-trade	9,978	18,269
Increase (decrease) in other current liabilities	2,430	6,642
Bonuses to directors and corporate auditors-paid	△45	△14
Other	3,906	5,245
Subtotal	56,558	22,680
Interest and dividends income received	151	101
Income taxes paid	△11,001	△6,395
Net cash provided by (used in) operating activities	45,709	16,386
<b>Net cash provided by (used in) investing activities</b>		
Payments into time deposits	△0	△66
Proceeds from withdrawal of time deposits	761	14
Purchase of property, plant and equipment	△5,012	△2,746
Proceeds from sales of property, plant and equipment	320	181
Purchase of intangible assets	△6,011	△4,633
Purchase of investment securities	36	—
Proceeds from sales of investment securities	△531	△10,359
Proceeds from redemption of investment securities	10,873	—
Purchase of investments in subsidiaries	2,705	—
Other	—	△14
Net cash provided by (used in) investing activities	△3,839	205
	△698	△17,419

(Millions of yen truncated the nearest million yen)

	For the fiscal2008 ended February 20, 2009	For the fiscal2009 ended February 20, 2010
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	4,622	△8,560
Net increase (decrease) in commercial papers	△602	—
Proceeds from long-term loans payable	89,893	69,410
Repayment of long-term loans payable	△77,413	△73,327
Proceeds from issuance of bonds	11,141	798
Redemption of bonds	△18,090	△16,319
Net decrease (increase) in treasury stock	△1	△0
Proceeds from insurance of stock to minority shareholders	15	—
Dividends paid	△6,273	△6,273
Dividends paid to minority shareholders	△1,730	△1,827
Other	△23	△275
Net cash provided by (used in) financing activities	1,537	△36,376
<b>Effect of exchange rate change on cash and cash equivalents</b>	△2,184	150
<b>Net increase (decrease) in cash and cash equivalents</b>	44,363	37,259
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	15,753	60,202
<b>Cash and cash equivalents</b>	—	69
<b>Cash and cash equivalents, beginning of year</b>	85	—
<b>Cash and cash equivalents, end of year</b>	60,202	23,012

## 【2. (Summary) Non-consolidated financial statements】

### (1) (Summary) Non-consolidated Balance Sheets

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>(ASSETS)</b>		
<b>Current assets</b>		
Cash and deposits	46,965	11,610
Accounts receivable-installment	182,591	230,874
Operating loans	375,312	314,102
Advances paid	7,540	11,918
Prepaid expenses	334	367
Deferred tax assets	16,278	16,940
Accounts receivable-other	17,236	25,365
Account income	5,228	3,844
Other	923	1,300
Allowance for doubtful accounts	△45,676	△47,774
<b>Total current assets</b>	<b>606,733</b>	<b>568,549</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings	1,124	1,587
Accumulated depreciation	△737	△748
Buildings, net	387	838
Vehicles	6	6
Accumulated depreciation	△3	△4
Vehicles, net	3	2
Tools, furniture and fixtures	7,267	8,339
Accumulated depreciation	△4,629	△5,294
Tools, furniture and fixtures, net	2,638	3,044
<b>Total property, plant and equipment</b>	<b>3,029</b>	<b>3,885</b>
<b>Intangible assets</b>		
Software	8,370	8,839
Telephone subscription right	38	38
<b>Total Intangible assets</b>	<b>8,408</b>	<b>8,877</b>
<b>Investments and other assets</b>		
Investment securities	17,804	52,758
Stocks of subsidiaries and affiliates	9,414	9,774
Long-term prepaid expenses	7,361	6,738
Deferred tax assets	1,206	1,033
Guarantee money deposit	4,716	8,998
Other	2,113	2,219
<b>Total Investments and other assets</b>	<b>42,617</b>	<b>81,523</b>
<b>Total noncurrent assets</b>	<b>54,055</b>	<b>94,286</b>

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Deferred assets</b>		
Bond issuance cost	157	119
Total deferred assets	157	119
<b>Total assets</b>	<b>660,946</b>	<b>662,955</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	89,299	106,474
Short-term loans payable	500	2,750
Current portion of long-term loans payable	47,600	62,000
Current portion of bonds	15,000	10,000
Accounts payable-other	4,593	5,664
Accrued expenses	1,667	1,819
Income taxes payable	3,307	2,834
Unearned revenue	264	250
Deposits received	3,975	10,590
Provision for bonuses	165	75
Provision for point card certificates	4,065	3,717
Other	256	1,145
Total current liabilities	170,696	207,322
<b>Noncurrent liabilities</b>		
Bonds payable	90,000	80,000
Long-term loans payable	241,300	215,100
Provision for retirement benefits	111	—
Provision for loss on interest repayment	11,936	22,840
Other	1,809	1,519
Total noncurrent liabilities	345,157	319,460
Total long-term liabilities	515,853	526,783
<b>Net assets</b>		
<b>Shareholder's equity</b>		
Capital stock	15,466	15,466
Capital surplus		
Legal capital surplus	17,046	17,046
Other capital surplus	6	—
Total capital surplus	17,052	17,046
Retained earnings		—
Legal retained earnings	3,687	3,687
Other retained earnings		
General reserve	75,995	75,995

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
Retained earnings brought forward	32,394	23,505
Total retained earnings	112,077	103,188
Treasury stock	△219	△187
Total shareholders' equity	144,377	135,514
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	691	657
Total Valuation and translation adjustments	691	657
Subscription rights to shares	25	—
Total net assets	145,093	136,171
<b>Total Liabilities and net assets</b>	<b>660,946</b>	<b>662,955</b>



**(2) (Summary) Non-consolidated Statements of Income**

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Operating revenues</b>		
Credit card revenue	44,191	48,334
Per-item revenue	10	8
Financing revenue	63,837	52,094
Processing agency service fees	6,142	13,004
Gain on bad debts recovered	498	117
Other	2,500	3,705
Financial revenue		
Interest income	34	89
Total financial revenue	34	89
Total Operating revenues	117,216	117,354
<b>Operating expenses</b>		
Selling, general and administrative expenses		
Advertising and promotion expenses	9,260	9,230
Provision for point card certificates	4,065	3,717
Bad debts expenses	57	43
Provision of allowance for doubtful accounts	18,106	21,919
Provision for loss on interest repayment	9,765	4,646
Directors' compensations	149	151
Employees' salaries and bonuses	9,930	10,484
Welfare expenses	2,591	2,677
Provision for bonuses	165	75
Retirement benefit expenses	215	234
Correspondence and transportation expenses	8,632	8,793
Taxes and dues	2,411	2,682
Rent expenses	2,565	2,849
CD operating expenses	304	10
Commission fee	14,878	20,018
Card cost	3,642	3,754
Depreciation	3,211	4,007
System operation expenses	2,299	2,438
Other	4,076	3,530
Selling, general and administrative expenses	96,328	101,265
<b>Financial expenses</b>		
Interest expenses	6,339	6,144
Other	467	804
Total financial expenses	6,807	6,949
Total operating expenses	103,135	108,214
Operating income	14,080	9,139

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Non-operating income</b>		
Dividends income	2,286	2,166
Other	5	6
Total non-operating income	2,292	2,173
<b>Non-operating expenses</b>		
Office removal expenses	8	328
Foreign exchange losses	74	44
Other	0	10
Total Non-operating expenses	83	383
<b>Ordinary income</b>	16,289	10,929
<b>Extraordinary income</b>		
Recoveries of Retirement Benefits	—	233
Gain on sales of investment securities	9,294	—
Gain on redemption of investment securities	2,605	—
Gain on sales of noncurrent assets	27	—
Total Extraordinary income	11,927	233
<b>Extraordinary loss</b>		
Provision for loss on interest repayment	—	14,000
Provision of allowance for doubtful accounts	6,564	2,052
Loss on valuation of investment securities	618	6
Loss on disposal of the cash dispenser	1,033	—
Other	24	7
Total Extraordinary loss	8,240	16,066
<b>Income before income taxes</b>	19,977	△4,903
<b>Income taxes-current</b>	9,233	2,630
<b>Income taxes-deferred</b>	△1,448	△4,921
<b>Total Income taxes</b>	7,784	△2,290
<b>Net income</b>	12,192	△2,613

(3) (Summary) Consolidated Statements of Change in Equity Total change in term

	As of February 20, 2009	As of February 20, 2010
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance, February 20, 2008	15,466	15,466
Balance, February 20, 2009	15,466	15,466
<b>Capital surplus</b>		
Legal capital surplus		
Balance, February 20, 2008	17,046	17,046
Balance, February 20, 2009	17,046	17,046
<b>Other capital surplus</b>		
Balance, February 20, 2008	6	6
Changes of items during the period		
Disposal of treasury stock	△0	△6
Total changes of items during the period	△0	△6
Balance, February 20, 2009	6	—
<b>Total capital surplus</b>		
Balance, February 20, 2008	17,053	17,052
Changes of items during the period		
Disposal of treasury stock	△0	△6
Total changes of items during the period	△0	△6
Balance, February 20, 2009	17,052	17,046
<b>Retained earnings</b>		
Legal retained earnings		
Balance, February 20, 2008	3,687	3,687
Balance, February 20, 2009	3,687	3,687
Other retained earnings		
General reserve		
Balance, February 20, 2008	75,995	75,995
Balance, February 20, 2009	75,995	75,995
Retained earnings brought forward		
Balance, February 20, 2008	26,476	32,394
Balance, February 20, 2009		
Dividends from surplus	△6,273	△6,273
Net income	12,192	△2,613
Disposal of treasury stock	—	△2
Total changes of items during the period	5,918	△8,889
Balance, February 20, 2009	32,394	23,505

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Total retained earnings</b>		
Balance, February 20, 2008	106,158	112,077
changes of items during the period		
Dividends from surplus	△6,273	△6,273
Net income	12,192	△2,613
Disposal of treasury stock	—	△2
Total changes of items during the period	5,918	△8,889
Balance, February 20, 2009	112,077	103,188
<b>Treasury stock</b>		
Balance, February 20, 2008	△218	△219
Changes of items during the period		
Purchase of treasury stock	△2	△1
Disposal of treasury stock	1	33
Total changes of items during the period	△1	32
Balance, February 20, 2009	△219	△187
<b>Total shareholders' equity</b>		
Balance, February 20, 2008	138,460	144,377
Changes of items during the period		
Dividends from surplus	△6,273	△6,273
Net income	12,192	△2,613
Purchase of treasury stock	△2	△1
Disposal of treasury stock	0	25
Total changes of items during the period	5,917	△8,862
Balance February 20, 2009	144,377	135,514
<b>Valuation and translation adjustments</b>		
<b>Valuation difference on available-for-sale securities</b>		
Balance, February 20, 2008	4,141	691
Changes of items during the period		
Net changes of items other than shareholders' equity	△3,450	△33
Total Changes of items during the period	△3,450	△33
Balance, February 20, 2009	691	657

(Millions of yen truncated the nearest million yen)

	As of February 20, 2009	As of February 20, 2010
<b>Subscription rights to shares</b>		
Balance, February 20, 2008	—	25
Changes of items during the period		
Net changes of items other than shareholders' equity	25	△25
Total Changes of items during the period	25	△25
Balance, February 20, 2009	25	—
<b>Total net assets</b>		
Balance, February 20, 2008	142,601	145,093
Changes of items during the period		
Dividends from surplus	△6,273	△6,273
Net income	12,192	△2,613
Purchase of treasury stock	△2	△1
Disposal of treasury stock	0	25
Net changes of items other than shareholders' equity	△3425	△58
Total changes of items during the period	2,491	△8,921
Balance, February 20, 2009	145,093	136,171